
As used in this chapter, unless the context otherwise requires:

(1) "Person" means any individual, partnership, corporation, association, or other business entity; and

(2) "Silver" means sterling silver.

History. Acts 1981, No. 87, § 1; 1981, No. 541, § 1; A.S.A. 1947, § 71-5401.

§ 17-23-102. Exemptions.

The provisions of this chapter shall not apply to the following:

(1) Transactions involving the sale or transfer of precious metals from one (1) retail jeweler or licensed dealer under this chapter to another retail jeweler or licensed dealer under this chapter;

(2) Transactions involving the sale or transfer of precious metals by a wholesale jeweler to a retail jeweler or licensed dealer;

(3) Transactions involving the acquisition of precious metals as a trade-in on any item where the amount allowed as trade-in for the precious metal is less than fifty percent (50%) of the purchase price of the item purchased;

(4) Transactions involving coins regardless of whether or not such coins contain precious metals;

(5) Any financial institution, which is covered by federal or state deposit insurance, or any person doing business under the laws of this state;

(6) Any person doing business under the laws of this state or the United States relating to any broker-dealer, or commodity futures commission merchant, or commodity trading advisor or agent duly registered and regulated by the State Securities Department or the United States Commodity Futures Trading Commission; or

(7) Pawn brokers.

History. Acts 1981, No. 87, § 1; 1981, No. 541, § 1; A.S.A. 1947, § 71-5401;

(a) Every person who shall violate the provisions of this chapter and be found guilty shall be fined not more than five hundred dollars (\$500) or imprisoned for not more than one (1) year, or both.

(b) If the value of the property involved in a transaction which is in violation of this chapter exceeds five hundred dollars (\$500), a person convicted of a violation shall be fined not more than two thousand dollars (\$2,000) or imprisoned for not more than three (3) years, or both.

History. Acts 1981, No. 87, § 7; A.S.A. 1947, § 71-5407.

§ 17-23-104. Civil liability.

(a) Any person who has been damaged or injured by the failure of a person required to be licensed under this chapter to comply with the provisions of this chapter may recover the actual damages sustained.

(b) The court in its discretion may also award punitive damages and the cost of suit and reasonable attorney's fees to a prevailing plaintiff.

History. Acts 1981, No. 87, § 6; A.S.A. 1947, § 71-5406.

§ 17-23-201. License required.

No person shall engage in the business of buying gold, silver, platinum group metals, or any article containing them, hereinafter referred to as "precious metals", from the general public for the purpose of reselling the metals in any condition without first obtaining a license from the Department of Arkansas State Police as provided for in this subchapter.

§ 17-23-202. Application - Bond - Fee - Waiting period - Rules and regulations.

(a) Applications for license shall be in writing, under oath, and in the form prescribed by the Department of Arkansas State Police. They shall contain the name and the address, both of the residence and place of business of the applicant, and if the applicant is a co-partnership or association, of every member thereof, and if a corporation, of each officer and director and of the principal owner or owners of the issued and outstanding capital stock thereof; they shall also contain the city or town with the street and number, if any, where the business is to be conducted and, if a nonresident, of the principal place of business without the state and such further information as the Department of Arkansas State Police may require.

(b) If the applicant does not have a permanent business address in the state, evidenced by a lease or rental agreement or proof of ownership of the business, the applicant, as a condition of obtaining a license, shall furnish a surety bond

issued by a surety company authorized to do business in Arkansas in a minimum amount of one hundred thousand dollars (\$100,000) in favor of the State of Arkansas. The proceeds of the bond shall be available to assure compliance with all provisions of this chapter, and the payment of any and all taxes due the State of Arkansas or any political subdivision of the state as the result of the business for which the applicant is seeking a license. They shall also be available to satisfy any judgment which may be rendered against the licensee as a result of the operation of the business licensed under this chapter.

(c) At the time of making his initial application, the applicant shall pay to the Department of Arkansas State Police the sum of twenty-five dollars (\$25.00) as a fee for investigating the application, and the additional sum of twenty-five dollars (\$25.00) shall be paid for an initial license fee for a period terminating on the last day of the current calendar year. Thereafter, the annual renewal license fee shall be twelve dollars and fifty cents (\$12.50). If the application for an initial license is filed after June 30 in any year, the license fee for the remainder of the year shall be only twelve dollars and fifty cents (\$12.50).

(d) No initial license shall be issued until the expiration of a period of at least thirty (30) days after the date on which the application therefor is filed with the Department of Arkansas State Police.

(e) The Department of Arkansas State Police is authorized to promulgate rules and regulations not inconsistent herewith to provide for the effective discharge of the responsibilities granted by this chapter.

History. Acts 1981, No. 87, § 2; 1983, No. 374, § 1; A.S.A. 1947, § 71-5402.

§ 17-23-203. Seller identification.

Every person required to be licensed under this chapter shall:

- (1) Require proof of identification of every seller from whom precious metals or an article made from or containing a precious metal is to be purchased for an amount in excess of fifty dollars (\$50.00);
- (2) Require the seller to sign a statement on a form to be approved by the Department of Arkansas State Police stating that the seller is the legal owner of the property or is the agent of the owner authorized to sell the property, and when and where or in what manner the property was obtained;
- (3) Require the seller to place a legible print of his right thumb as an identifying mark on a form to be approved by the Department of Arkansas State Police; and
- (4) Before purchasing any precious metal or article made from or containing a precious metal for a price in excess of fifty dollars (\$50.00), require the seller, if a minor, to present written authorization to sell by the parent or legal guardian of the minor, which includes the relationship, address, and telephone number of the parent or guardian.

(a) Every person licensed under this chapter shall keep a record book obtained from or under the direction of the Department of Arkansas State Police containing a comprehensive record of all transactions concerning precious metals involving an amount in excess of fifty dollars (\$50.00).

(b) The record shall include the name, address, and telephone number of the seller and a complete and accurate description of the property purchased, including any serial numbers or other identifying marks or symbols and the date and hour of the transaction.

(c) All persons licensed under this chapter shall at least weekly deliver or mail to the chief law enforcement officer of the city or town or the sheriff of the county in which the business is located a copy of all entries in the record required to be kept by subsections (a) and (b) of this section during the preceding seven-day period.

(d) All records and reports received by the chief law enforcement officer of the city or town or sheriff of the county shall be available for inspection only by law enforcement officers for law enforcement purposes.

History. Acts 1981, No. 87, §§ 4, 5; 1981, No. 541, §§ 2, 3; 1983, No. 374, § 3; A.S.A. 1947, §§ 71-5404, 71-5405.

- (a)(1) All persons licensed under this chapter shall retain possession of precious metals or articles containing precious metals, in an unaltered condition, for the period specified in this section.
- (2) All gold and articles containing gold shall be retained in possession for a period of three (3) days.
- (3) All other precious metals or articles containing other precious metals shall be retained for a period of seven (7) days.
- (4) The period of retention shall begin on the date that the acquisition of the precious metal is reported in writing to the chief law enforcement officer of the city or town or sheriff of the county.
- (b) If the chief law enforcement officer of the city or town or sheriff of the county has probable cause to believe that precious metals or an article made from or containing a precious metal has been stolen, he may give notice in writing to the licensee to retain the precious metal or article for an additional period of fifteen (15) days. The licensee shall retain the property for the additional fifteen-day period unless the notice is revoked in writing within the fifteen-day period.

History. Acts 1981, No. 87, § 5; 1981, No. 541, § 3; A.S.A. 1947, § 71-5405.

§ 17-23-208. Disposition of funds.

All fees collected under the provisions of this chapter shall be classified as special revenues and shall be deposited in the Department of Arkansas State Police Fund.

History. Acts 1981, No. 87, § 8; A.S.A. 1947, § 71-5408.